

Fubon Financial Holding Co., Ltd.

Audit Committee Organizational Rules

Adopted by the Board of Directors on December 8, 2006
1st amendment by the Board of Directors on June 13, 2008

Article 1 (Basis for the Establishment of the Organizational Rules)

These Organizational Rules are established in accordance with article 25 paragraph 1 of the Articles of Incorporation of this Company and by reference to the Article 3 of "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies".

Article 2 (The Scope of Application of the Organizational Rules)

The number of members, tenure of office, authority, and rules of procedure of this Committee and the resources the Company should provide when this Committee is exercising its authorities shall all comply with these Organizational Rules.

Article 3 (Matters under Supervision)

The operation of this Committee is to supervise the following matters as its main purpose:

1. Fair representation of the Company's financial statements.
2. The engagement and termination, the independence and performance of the auditor.
3. The effective execution of the Company's internal control.
4. The appropriateness of the Company's internal control regulations governing procedures and plans.
5. The management and control of the Company's existing or potential risks.

Article 4 (Composition of the Committee)

The members of this Committee consist of all of the Company's independent directors. The Committee shall consist of at least three members, one member elected among all members shall serve as the convener and the chairman of the meeting, and at least one member shall have either accounting or finance specialty.

The independent director members of the Committee shall serve a 3 year term, and may be reelected to additional terms. When the number of the independent director members on the Committee falls below that prescribed in the preceding paragraph or in the Articles of Incorporation due to an independent director's dismissal for any reason, a by-election shall be held at the next shareholders meeting to fill the vacancy. When all of the independent directors are dismissed or their seats vacated, a special shareholders meeting shall be called by the Company within 60 days from the date of the occurrence to hold a by-election to fill the vacancies.

Article 5 (Applicable Regulations)

The powers conferred to the supervisors as set forth in the Securities and Exchange Act, the Company Act, and any other laws, excepting those set forth in Article 14-4, paragraph 4 of the Securities and Exchange Act, shall be applied to the Committee members.

The provisions of Article 14-4, paragraph 4 of the Securities and Exchange Act, in regard to the Company Act as concerns the actions of supervisors or their role as representatives of a company, shall apply mutatis mutandis to the independent director members of the Committee.

Article 6 (Scope of Duty)

The duties of the Committee are as follows:

1. The adoption of or amendments to the Company's internal control policy pursuant to Article 14-1 of the Securities and Exchange Act
2. Assessment of the effectiveness of the Company's internal control policy.
3. The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
4. Matters in which a director is an interested party.
5. Asset transactions or derivatives trading of a material nature.
6. Loans of funds, endorsements, or provision of guarantees of a material nature.
7. The offering or private placement of equity-type securities.
8. The hiring or dismissal of an auditor and their remuneration.
9. The appointment or discharge of a financial, accounting, or internal audit officer.
10. Annual and semi-annual financial reports.
11. Other material matters as may be required by this Company or competent authorities.

The matters under the preceding paragraph shall be subject to the approval of one half or more of the entire membership of the Committee and shall be submitted to the Board of Directors for a resolution.

Any matter in the paragraph 1, with the exception of subparagraph 10, that has not been approved by one half or more of the entire membership of the Committee may be adopted with the approval of two thirds or more of the entire Board of Directors.

The "entire membership", as used herein, shall mean all of the Committee members actually in office at the given time.

The convener of the Committee shall represent the Committee to the public.

Article 7 (Meeting Method)

The Committee shall convene at least once every quarter, and may call a meeting at its

discretion whenever necessary.

In calling of a meeting of the Committee, a notice of the reasons for convening the meeting shall be given to each member of the Committee at least 7 days in advance; in emergency circumstances, however, the meeting may be called at anytime.

When the convener is on leave or unable to convene a meeting for any reason, the convener shall appoint another independent director member on the Committee to act the convener; if the convener does not make such an appointment, one independent director member of the Committee shall be elected by the members of the Committee to serve as convener.

The Committee may request the managers of relevant departments, internal audit officers, accountants, attorneys or other personnel of this Company to attend the meeting as non-voting participants and provide relevant necessary information.

When the Committee meeting is called, the members of the Committee present at the meeting shall be furnished with relevant materials for reference.

Article 8 (Establishment of Meeting Agenda)

The Committee's meeting agenda shall be drafted by the convener. Other members may also put forward proposals for discussion by the Committee.

Article 9 (Attendance and Resolution)

When a meeting of the Committee is held, an attendance book shall be made available for signing-in by the attending members, and thereafter made available for reference.

The members of the Committee shall attend the Committee meeting in person; however, if a member is unable to attend in person, he may appoint other members as proxy to attend the meeting. Attendance via videoconferencing is deemed as attendance in person.

A member of the Committee that appoints another independent director member as proxy to attend a meeting of the Committee shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda.

Resolutions at meetings of the Committee shall be adopted with the approval of one half or more of the entire membership. The result of a vote shall be made known immediately and recorded in writing.

During voting, if the committee chairman solicits and receives no dissents, the motion is deemed passed, with equivalent force as a resolution by votes.

If, for a legitimate reason, it is impossible to hold a Committee meeting, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire Board of Directors. Nevertheless, a written opinion indicating approval or disapproval shall be obtained from each independent director member with respect to the matters under Article 6, paragraph 1, subparagraph 10.

The proxy under paragraph 3 may act as a proxy for one person only.

Article 10 (Meeting Minutes)

Discussions at a Committee meeting shall be included in the meeting minutes, which shall faithfully record the following:

1. The session, time and place of the meeting.
2. The name of the meeting chairman.
3. Attendance by the members, including the names and the number of members present, excused, and absent.
4. The name and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: For each proposal, the method of resolution and the result; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; and any objections or reservations expressed.
8. Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; and any objections or reservations expressed.
9. Other matters required to be recorded.

The attendance book constitutes part of the meeting minutes for each Committee meeting and shall be preserved permanently.

The meeting minutes of a Committee meeting shall bear the signature or seal of both the chairman and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of this Company.

The meeting minutes of paragraph 1 may be produced and distributed in electronic form.

Article 11 (Review Recusal)

A member of the Committee shall recuse himself when he is an interested party with respect to a given agenda item, and such a relationship is likely to prejudice the interests of this Company.

If, for the reason stated in the preceding paragraph, an agenda item cannot be resolved at a Committee meeting, it shall be reported to the Board of Directors, which shall resolve on the item.

Article 12 (Engagement of Experts)

The Committee may resolve to retain the service of an attorney, accountant, or other professionals to provide advice and conduct audit with respect to matters in connection with Articles 3 and 6. The costs of their services shall be borne by this Company.

Article 13 (Obligations of the Committee Members)

The members of the Committee shall exercise the due care of a good administrator and faithfully perform the duties prescribed in these Organizational Rules; they shall be accountable to the Board of Directors and shall submit their proposals to be resolved by the Board of Directors.

Article 14 (Periodic Review)

The Committee shall conduct periodic reviews of matters relating to these Organizational Rules and present the results for amendment by the Board of Directors.

Article 15 (Delegation by the Committee)

The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next Committee meeting.

Article 16 (Enforcement)

These Organizational Rules, and any amendments hereto, shall come into in force after adoption by resolution of the Board of Directors.